

IN THE CLAIMS:

{Claims 1-11 (canceled)}

5 12. (Currently amended) In a system involved with the collection of taxes related to at least one of sales of goods and services that includes a plurality of customer computers including a first customer computer, a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling communications among the customer computers and the merchant computers and for enabling communications among the merchant computers and the merchant bank computers,

10 a control system that performs the following operations:

communicates with each of the plurality of merchant computers using the one or more communication networks;

15 communicates with each of the plurality of merchant bank computers using the one or more communication networks;

communicates with each of the plurality of tax authority designated computers using the one or more communication networks;

stores debit information related to authorized debits, wherein each of the authorized debits is for debiting a corresponding one of the plurality of merchant banks;

20 stores credit information related to providing credits to each of the plurality of tax authority designated computers;

stores merchant information related to each of the plurality of merchants including identities of the merchants;

25 stores tax authority information related to each of the plurality of tax authorities including identities of the tax authorities;

30 receives, from each of the plurality of merchant computers, transaction information related to a taxable transaction between the merchant associated with the merchant computer, and another party to the transaction associated with some one of the customer computers, including first transaction information received from the first merchant computer during a same time the first transaction is conducted and said first transaction information including a digital certification for the first merchant for verifying that the first merchant is involved with the first transaction;

35 debits at least the first merchant bank computer in a first tax amount related to said first transaction information;

credits said first tax amount to the first tax authority designated computer; and provides generated reports to the tax authorities associated with the plurality of tax authority designated computers;

wherein related to the first transaction said control system is involved with:

40 validating or invalidating address information associated with the another party, said validating or invalidating including:

providing business rules of the first merchant related to said validating or invalidating address information;

45 ascertaining whether said first merchant's business rules allow for processing of partial address information and, if so, is there a more coarse address processing available and, if so, process said partial address; and

ascertaining whether said first merchant's business rules allow for substituting another address and, if so, is there another address that can be used and, if so, creating a substitute address record; and

50 determining one or more tax authorities, including at least one of the plurality of the tax authorities, that has a nexus for the address information of the another party when it is validated.

13. (Previously amended) The control system, as claimed in Claim 12, including a main tax gateway and at least a first distributed tax gateway in communication therewith,

said main tax gateway storing said debit information, storing said credit information, storing said merchant information and storing said tax authority information.

14. (Previously amended) The control system, as claimed in Claim 13, wherein: said main tax gateway being used in debiting the first merchant bank computer in the first tax amount and being used in crediting the first tax amount to the first tax authority designated computer and said main tax gateway further includes:

a merchant related data store including, for each of a plurality of merchants having a corresponding one of the merchant computers, merchant bank information identifying the merchant's bank, wherein there is first and second merchant bank information identifying, respectively, the first merchant bank and a second merchant bank for a second merchant, wherein the first and second merchant banks are different, and wherein said merchant related data store is accessed for performing said debits operation.

15. (Previously amended) The control system, as claimed in Claim 13, wherein: said first distributed tax gateway is used in receiving said first transaction information.

16. (Previously amended) The control system, as claimed in Claim 13, wherein: said first distributed tax gateway includes a first distributed controlling subsystem and in which at least one of said first distributed controlling subsystem and the first merchant computer calculates said first tax amount using a tax collection agent.

17. (Previously amended) The control system, as claimed in Claim 12, wherein: the one or more communication networks includes the Internet.

18. (Previously amended) The control system, as claimed in Claim 13, wherein: said main tax gateway stores first merchant certification information related to certifying communications as being received from the first merchant computer and stores

first tax authority certification information related to certifying communications as being
5 received from the first tax authority designated computer.

19. (Previously amended) The control system, as claimed in Claim 13, wherein:
said main tax subsystem stores first merchant validating information related to
validating the identification of the first merchant and stores the authority validating
information related to validating the identity of the first tax authority.

20. (Previously amended) The control system, as claimed in Claim 13, wherein:
said main tax gateway stores information related to requirements as to when the
plurality of tax authority designated computers are to be credited with said first tax amount
and stores information related to correlating the identity of the first merchant with the
5 identity of the first merchant bank.

21. (Previously amended) The control system, as claimed in Claim 13, further
including:

a plurality of distributed tax gateways different from said first distributed tax gateway
and with said plurality of distributed tax gateways and said first distributed tax gateway in
5 communication with said main tax gateway.

Claims 22-42 (canceled)

43. (Previously amended) The control system of Claim 13, wherein said main tax
gateway includes a tax transaction management system for generating electronic bank to
bank transfer notes for transferring funds between the first merchant bank and a bank
designated for receiving taxes to be paid by the first merchant

44. (Previously amended) The control system of Claim 43, wherein said tax
transaction management system generates said electronic bank to bank transfer notes

according to an automated clearing house (ACH) procedure provided by a governmental agency.

45. (Previously amended) The control system of Claim 12 that includes a network interface for receiving, during the first transaction, a request for determining a tax on the first transaction, and providing a responsive network transmission to the first merchant computer prior to finalizing the first transaction with the first customer.

46. (Previously amended) The control system of Claim 45 that includes a merchant interaction control system that communicates with at least one of: (a) a merchant enrollment system for enrolling merchants for receiving taxation related information in response to transaction information merchants supplied to said control system; (b) a tax computing engine for determining a tax on the first transaction, and (c) a merchant permissions system for authenticating that the first transaction is from the first merchant

47. (Currently amended) In a system involved with the collection of taxes related to at least one of sales of goods and services that includes a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer associated with the first merchant, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling communications at least among the merchant computers and the merchant bank computers, a control system that performs the following operations:

communicates with each of the plurality of merchant computers using the one or more communication networks;

communicates with each of the plurality of merchant bank computers using the one or more communication networks;

communicates with each of the plurality of tax authority designated computers using the one or more communication networks;

stores merchant information related to each of the plurality of merchants including identities of the merchants;

stores tax authority information related to each of the plurality of tax authorities including identities of the tax authorities;

receives at least transaction information related to a first transaction between the first merchant and another party;

wherein said control system uses first business rules obtained from the first merchant and uses nexus information of the first merchant, said first business rules indicating services that said control system is to perform for the first merchant ~~and aspects related to how the first merchant performs its business and in which said aspects are used in determining tax information applicable to the first transaction involving the first merchant~~, said nexus information indicating where the first merchant has a physical presence, said first business rules being related to:

(1) a tax method to be used and being obtained from at least the following business rules:

(a) perform tax calculations for the tax authority selected by the merchant,
(b) perform tax calculations for the selected tax authority if specified in a request with sale transaction data from the merchant,

(c) calculate the tax(es) on a total for the corresponding customer purchase,

and

(d) calculate the tax(es) for each line item of a corresponding customer purchase separately:

(2) taxes to collect and being obtained from at least the following business rules:

(a) do not collect taxes for any tax authorities,

(b) collect all taxes that can be determined using the control system,

(c) collect taxes for states in the United States,

(d) collect taxes for tax authorities for which states also collect taxes on their behalf, and

(e) collect taxes for those tax authorities in which there is an agreement between said control system and said tax authorities for accepting taxes on behalf of the merchant via an automatic clearing house (ACH) electronic transfer of funds; and

(3) shipping and being obtained from at least the following business rules:

(a) shipping costs are itemized separately on sales orders,

(b) shipping costs are not itemized separately on sales orders,

(c) a product sales price includes shipping charges, and

(d) product sales price does not include shipping charges.

48. (Currently amended) In a system involved with the collection of taxes related to at least one of sales of goods and services that includes a network interface, a plurality of customer computers including a first customer computer, a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling communications among the customer computers and the merchant computers and for enabling communications among the merchant computers and the merchant bank computers,

a control system that performs the following operations:

communicates with each of the plurality of merchant computers using the one or more communication networks;

communicates with each of the plurality of merchant bank computers using the one or more communication networks;

communicates with each of the plurality of tax authority designated computers using the one or more communication networks;

stores debit information related to authorized debits, wherein each of the authorized debits is for debiting a corresponding one of the plurality of merchant banks;

stores credit information related to providing credits to each of the plurality of tax authority designated computers;

stores merchant information related to each of the plurality of merchants including identities of the merchants;

stores tax authority information related to each of the plurality of tax authorities including identities of the tax authorities;

receives, from each of the plurality of merchant computers, transaction information related to a taxable transaction between the merchant associated with the merchant computer, and another party to the transaction associated with some one of the customer computers, including first transaction information received from the first merchant computer during a same time said first transaction is conducted, said network interface receiving, during said first transaction, a request for determining a tax on said first transaction, and providing a responsive network transmission to the first merchant computer prior to finalizing said first transaction with a first customer;

debits at least the first merchant bank computer in a first tax amount related to said first transaction information;

credits said first tax amount to the first tax authority designated computer; and provides generated reports to the tax authorities associated with the plurality of tax authority designated computers;

wherein said control system ~~includes one or more~~ uses first and second nexus information of the first merchant and a second merchant, respectively, indicating where the first and second merchant has a physical presence and said control system uses a first set of business rules associated with obtained from the first merchant and a second set of business rules obtained from the second merchant, said first set of business rules being used in determining a response to receiving said first transaction information, said first set of business rules ~~including one or more of:~~

~~_____ (a) information indicative of which tax authorities the first merchant has indicated taxes are to be collected by said control system;~~

~~_____ (b) information indicative of which tax authorities the first merchant has indicated taxes are to be determined by said control system but not collected;~~


50 ~~_____ (c) information indicating that no taxes are to be collected by said control system for tax authorities with which the merchant does not share nexus; and~~

~~_____ (d) information indicating whether or not the first merchant itemizes sales of products within the first transaction being obtained by the first merchant from a first number of business rules related to a tax method to be used, a second number of business rules related to taxes to collect, and a third number of business rules related to shipping, said first set of business rules comprised of at least one of said first number of business rules, at least one of said second number of business rules and at least one of said third number of business rules, said second set of business rules being obtained by the second merchant from said first, second, and third numbers of business rules, said second set of business rules~~
55 ~~comprised of at least one of said first number of business rules, at least one of said second number of business rules, and at least one of said third number of business rules, and in which a plurality of said first set of business rules is different than said second set of business rules when said first nexus information is the same as said second nexus information.~~

49. (Previously amended) The control system of Claim 12, wherein said control system receives the first transaction information without the first merchant computer receiving a request for transmitting the first transaction information to said control system.

(Claims 50-67 (Canceled))

68. (Currently amended) The control system of Claim 12, wherein said control system assesses which, if any, of the tax authorities having the nexus is to be considered for taxation using said business rules of the first merchant.

 {Claims 69-71 (Canceled)}

72. (Currently amended) The control system of Claim 47, wherein said first business rules are provided to said control system as part of enrollment of the first merchant.

73. (Currently amended) The control system of Claim 47, wherein said control system verifies that the first merchant is enrolled ~~in connection with having~~ when the first merchant attempts to access to said control system.

74. (Currently amended) The control system of Claim 47, wherein said control system performs verification for the first merchant by retrieving an identification record of the first merchant ~~and the business rules associated with the first merchant.~~

{Claims 75-78 (Canceled)}

79. (Previously added) The control system of Claim 47, wherein said nexus information is used to determine which, if any, of the plurality of tax authorities the first merchant is to obtain taxes.
